

**GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT**

**Strengthening of Health Systems - Improving Access to Quality Generic Medicines at Fair Prices - Establishment of Generic Medicine Retail Outlets – orders – issued.**

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**HEALTH, MEDICAL AND FAMILY WELFARE ( L2 ) DEPARTMENT**

G.O. Ms. No. 54

Dated:14.03.2011

Read the following:

1. From the Joint Secretary to G.O.I., Ministry of Chemicals & Fertilisers, D.O.No.50015/2/2008-PI-IV, Dt.08-2008 and reminder Dt.22-7-2009.
2. GO Ms 115 of HM & FW (M) Department dated 13.05.2010
3. From the M.D of APHMHDIC, Letter No.28 /AHMH & IDC /EE(P) /Jana Aushadhi/2010 -11, Dt.25-05-2010.
4. Letter of District Collector of Visakhapatnam dated 17 May 2010.

**ORDER**

1. Certain research studies have revealed that the State's current annual health care costs are about five per cent of the Gross State Domestic Product (GSDP), of which nearly fifty per cent is the cost of medicines. Further, medicines are being retailed through more than 50,000 pharmacy outlets spread across the state, which has been posing practical challenges in terms ensuring quality standards. Moreover, irrational use of medicines, especially indiscriminate and excessive use of antibiotics, has been on the increase. Despite the achieving a strong capability for the manufacture of quality branded and generic medicines in most therapeutic categories, the citizens of the state are unable to access quality medicines at reasonable price.
2. In this background, the government is committed to ensuring the availability of quality medicines at affordable prices to all citizens and retard the pace of growth of health care costs through consumer awareness and by making available the generic equivalent of branded medicines. In this direction, the government has published the Essential Medicine List (EML) in the reference second read above, defining the list of medicines to be used by the government health facilities at different levels and instructed all concerned to procure and supply quality generic medicines to all government health centres and hospitals. It has also advised all private health establishments to adopt rational use of medicines and prescribe generic equivalent of medicines to the patients. The state government, with the active support of Government of India, has been encouraging the establishment of *Jan Aushadhi* stores, where quality generic medicines are made available for sale at lower prices.
3. In this context, the Managing Director of A.P Medical Services and Infrastructure Development Corporation (APMSIDC) and District Collector of Vishakhapatnam in the references third and fourth read above have informed that a number of retail outlets – Jeevanadhara - have been established in Visakhapatnam district for sale of generic formulations through the Zilla Samakhya under the ages of AP Society for Eradication of Rural Poverty (APSERP). This initiative has been replicated in other districts in the recent months, securing supply of medicines at fraction of the cost of branded items.
4. The Government has carefully examined the entire matter and has decided to launch a programme for ensuring widespread availability of generic medicines across the state through a series of retail generic medicine outlets. The government orders that this initiative be coordinated by the AP Medical Services and Infrastructure Development Corporation (APMSIDC) at the state level and by the District Collector at the district level. Generic medicines will be obtained by through the Jana Aushadhi program of the Ministry of Pharmaceuticals, Government of India, the Pharmaceutical Export Council established by the Ministry of Commerce and also directly from the pharmaceutical manufacturing companies based on the price and quality competitiveness. The APMSIDC will act the nodal agency for coordinating the procurement and supply of generic medicines.

5. The Government orders for the establishment of generic medicine retail outlets in all teaching / district / area hospitals with immediate effect and gradually expand the network throughout all districts covering urban centres and all mandals over a period of one year. The Government orders that all government hospitals shall earmark adequate space for establishment of retail outlet for sale of generic medicines. The hospitals shall not renew the lease of the existing retail outlets selling branded medicines in the hospital premises when the current lease expires. These outlets may also be established in any place wherever there is a demand for generic medicines. The District Collector – in consultation with the Managing

Director of APMSIDC – shall identify suitable sites for the establishment of retail generic stores and issue notification for selection of suitable agency for their management.

6. The Hospital Development Societies, Zilla Samakhya, Indian Red Cross Society, and well established NGOs and professional organisations with impeccable reputation shall be encouraged to set up the retail generic medicine stores, which may be called **Jeevanadhaba / Jana Jeevani / Jana Aushadhi stores**. The APMSIDC / District Collectors may also encourage pharmacy graduates, especially women and those belonging to weaker sections of the society, to establish retail generic outlets. All outlets will have to fulfil the statutory requirements of the AP Drug Control Administration. The Director General of Drug Control Administration is requested to facilitate the licensing process.

7. A special Generic Medicine Unit shall be established in APMSIDC with a General Manager / Additional GM, in the cadre of Joint / Deputy Director drawn on deputation from the Drug Control Administration or a Clinical Pharmacologist or Public Health specialist with extensive experience in health management for coordinating, facilitating and monitoring the implementation of this initiative.

8. The government hereby constitute the following Committees at the state and the district levels to facilitate streamlined implementation of the scheme and promote the prescription of generic medicines by the medical professionals and their use by the public at large:

#### State Level Committee

1. Principal Secretary (HM&FW) Dept.,	Chairman
2. Managing Director, APMSIDC	Member - convenor
3. Commissioner of Health & FW	Member
4. Mission Director of NRHM	Member
5. Director General, Drug Control Administration	Member
6. Director of Drug Control of Administration	Member
7. Director of Public Health	Member
8. Director of Medical Education	Member
9. Commissioner, APVVP	Member
10. Project Director of APSACS	Member
11. Executive Director of Pharma Export Council	Member
12. Senior Professor of Pharmacology in the state	Member
13. State President of IMA / APNA / FOGSI etc	Member
14. Any Technical Expert to be nominated by Govt.	Member

#### District Level Committee

1. District Magistrate & Collector	Chairman
2. Addl. Joint Collector	Member
3. Dist. Medical & Health Officer	Member
4. Superintendent of District / Teaching Hospital	Member
5. Principal of the Medical / Dental College	Member
6. Project Director of DRDA / IKP	Member
7. President of District Samkhya	Member
8. Asst. Director/Drug Inspector (DCA)	Member
9. Head of the Department of Pharmacology	Member
10. Representative of Pharma Export Council	Member
11. General Manager District Industries Centre	Member
12. Representative of IMA / FOGSI / APNA	Member
13. One or more representatives of NGOs	Member
14. Any other member nominated by the Government	Member
15. Dist. Co-ordinator of Hospital Services	Member – Convenor

9. The District Level Committee should meet once in two months to review and approve the establishment of new Jan Aushadhi / Jana Jeevani generic drug stores; monitor the functioning of the existing generic medicine outlets; take measures to popularise the use of generic medicines through periodic campaigns and awareness camps and furnish comprehensive reports to the Managing Director of APMSIDC and the Government. The State Level Committee should meet once in 3 months to review establishment of generic drug stores and monitor the performance of the existing generic medicine stores in the state.

10. The Managing Director of APMSIDC is instructed to organize a series of workshops for the medical professionals working in the government as well as the private sector across the

state in collaboration with the medical and specialist associations in the rational use of medicines, appropriate use of antibiotics, and universal adoption of generic medicines. The government hereby accord sanction for release of Rupees Twenty lakhs (Rs.20.00 lakhs) from Andhra Pradesh Health Sector Reform Project (APHSRP) residual funds to MD of APMSIDC as seed-capital for launching this initiative, which should be a continuous operation. The recurring costs thereafter should be met from the internal resources of APMSIDC.

11. The Managing Director of APMSIDC, the Director-General of Drug Control Administration, and the District Collectors are requested to take necessary action to accordingly in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

DR.P.V. RAMESH  
PRINCIPAL SECRETARY TO THE GOVERNMENT

To  
The Managing Director, APMSIDC  
The Director-General of Drug Control Administration  
All District Collectors and District Magistrates

Copy to:

1. The Secretary to Government of India, Ministry of Health and Family Welfare, Nirman Bhavan, New Delhi
2. The Secretary to Government of India, Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, New Delhi
3. The Mission Director, NRHM, Nirman Bhavan, New Delhi.
4. The Director-General of Central Drug Control Administration, Nirman Bhavan, New Delhi
5. The Executive Director of Pharma Export Council
6. The Commissioner of Health and Family Welfare
7. The Director of Public Health and Family Welfare
8. The Mission Director of NRHM
9. The Director of Medical Education
10. The Commissioner of AP Vaidya Vidhana Parishad
11. The Project Director of APSACS / CEO of Arogya Sri
12. The Director of NIMS / SVIMS / VIMS / RIMS
13. The Director of Drug Control Administration, Hyderabad
14. The Principals of Teaching Hospitals
15. All Regional Directors of Health
16. All District Coordinator of Health Services (DCHS), District Medical and Health Officers, Superintendents of all PHCs, CHCs, Area, District and Teaching Hospitals in the state for necessary action.
17. Director of Indian Institute of Health & Family Welfare
18. State President of the Indian Medical Association / AP Nursing Homes Association / Federation of Obstetrics and Gynaecologists Societies of India (AP Charter).
19. The OSD to Hon'ble Minister (Medical and Health)
20. The P.S. / OSD to all Hon'ble Ministers to the Government of Andhra Pradesh for information
21. The OSD to Special Chief Secretary to the Chief Minister
22. The Financial Advisor to the Medical and Health Department
23. All Officers / Sections in HM&FW Dept.
24. Stock File

// FORWADED :: BY ORDER //

SECTION OFFICER